

Message Text

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PAGE 01 GENEVA 10085 031844Z
ACTION STR-07

INFO OCT-01 EA-10 IO-13 ISO-00 STRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05
SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01
DOE-15 AGR-01 OIC-02 AF-10 ARA-10 EUR-12 NEA-10
JUSE-00 /169 W

-----012565 031851Z/44

P 031833Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 1618
INFO AMEMBASSY TOKYO

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USMTN
ACTION STR PASS ELECTRICALLY
STR PASS CODEL

E.O.11652:N/A
TAGS: MTN, ETRD, JA
SUBJECT: U.S.-JAPAN TARIFFS BILATERAL: REVISED U.S. OFFER

1. U.S. MTN DEL (MCNAMARA ET AL) BEGAN THE SERIES OF MEETINGS ON JUNE 27 WITH JAPANESE DEL (ENDO ET AL) WITH AN EXPLANATION OF THE REVISED U.S. OFFER BASED ON TPSC DOCUMENT 78-75. EFFORTS CENTERED ON EXPLAINING THAT THE CONVERTED ASP RATES OF DUTY AND CONVERTED RATES ON BALL AND ROLLER BEARINGS AND TIRES WOULD PROVIDE AN EQUIVALENT LEVEL OF TARIFF REVENUE AFFORDED BY THE ASP AND FINAL LIST METHODS OF VALUATION. IN THIS REGARD, MTN DEL POINTED OUT THAT SOME CONVERTED RATES WERE ACTUALLY LOWER THAN CURRENT NOMINAL RATES. MTN DEL ALSO NOTED THAT THE UNITED STATES, IN THE SCHEDULE OF CONCESSIONS FOR THE KENNEDY ROUND (GENERAL NOTE 4), AND IN PREVIOUS ROUNDS, RESERVED THE

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RIGHT TO ADJUST THE RATES OF DUTY IF ASP WERE TO BE ELIMINATED. U.S. DEL FURTHER EXPLAINED THAT IN RETURN FOR ADOPTION OF THE VALUATION CODE AND CONSEQUENT ELIMINATION OF ASP AND FINAL LIST, THE U.S. EXPECTED ADDITIONAL TARIFF CONCESSIONS ON FERTILIZERS AND GELATIN. MOREOVER, U.S. EXPECTED FULL CREDIT FOR FORMULA TARIFF CUTS ON CONVERTED RATES.

2. U.S. DEL EXPLAINED THAT AS PART OF THE JULY 15 SETTLEMENT, THE U.S. WOULD RESERVE THE RIGHT TO:

- (A) CONVERT SPECIFIC AND COMPOUND RATES TO AD VALOREM RATES; AND
- (B) SIMPLIFY ITS TARIFF SCHEDULES IN RESPONSE TO REQUESTS FROM NUMEROUS TRADING PARTNERS.

3. IN RESPONSE TO COMPLAINT THAT U.S. HAS STILL NOT OFFERED IMPROVEMENTS, U.S. DEL POINTED TO THE LARGE DIFFERENCE IN TRADE VALUES OF RESPECTIVE OFFERS WHICH IS HEAVILY IN FAVOR OF JAPAN. U.S. DEL INDICATED THAT BALANCE CAN ONLY BE ACHIEVED BY SIGNIFICANT ADDITIONAL IMPROVEMENTS BY JAPAN (INCLUDING IMPROVEMENTS IN AGRICULTURE) OR LARGE SCALE WITHDRAWALS BY U.S. ON ITEMS PRINCIPALLY SUPPLIED BY JAPAN.

4. JAPANESE REMAINED DISAPPOINTED IN THE LACK OF IMPROVEMENTS IN THE REVISED U.S. OFFER BUT WERE PARTICULARLY CONCERNED OVER THEIR INABILITY TO EVALUATE THE U.S. OFFER BECAUSE OF THE LACK OF TRADE DATA ON ASP CHEMICALS, CANNED CLAMS, AND FINAL LIST ITEMS.

5. ACTION REQUESTED: PLEASE PROVIDE MTN DEL WITH RELEVANT TRADE DATA, ASAP, IN ORDER TO AID IN SPEEDY AND POSITIVE JAPANESE RESPONSE TO U.S. OFFER.

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6. DRAFTED BY CASSIDY. MCDONALD

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TARIFF SCHEDULES
Control Number: n/a
Copy: SINGLE
Draft Date: 03 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10085
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780274-0452
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197807100/aaaadgre.tel
Line Count: 95
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Litigation Codes:
Litigation History:
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Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1847821
Secure: OPEN
Status: NATIVE
Subject: U.S.-JAPAN TARIFFS BILATERAL: REVISED U.S. OFFER
TAGS: ETRD, JA, US, MTN
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/b042c06a-c288-dd11-92da-001cc4696bcc
Review Markings:
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